(1) striking the heading "MUTUAL MORTGAGE INSURANCE FUND" and inserting "FEDERAL HOUSING ADMINISTRATION OPERATIONS":

(2)striking "SEC. 202." and inserting: "Sisc. 202. (a) MUTUAL MORTGAGE INSURANCE FUND.—": and

(3)adding at the end thereof the following new subsections:

"(b) ADVISORY BOARD.—There is created a Federal Housing Administration Advisory Board ("Board") that shall review operation of the Federal Housing Administration, including the activities of the Mortgagee Review Board, and shall provide advice to the Federal Housing Commissioner with respect to the formulation of general policies of the Federal Housing Administration and such other matters as the Federal Housing Commissioner may deem appropriate. The Advisory Board shall, in all other respects, be subject to the provisions of the Federal Advisory Committee Act.

"(1) The Advisory Board shall be composed of 15 members to be appointed from among individuals who have substantial expertise and broad experience in housing and mortgage lending of whom—

"(A) 9 shall be appointed by the Secretary;

"(B) 3 shall be appointed by the Chairman and Ranking Minority Member of the Subcommittee on Housing and Urban Affairs of the Committee on Banking, Housing, and Urban Affairs of the Senate; and

"(C) 3 shall be appointed by the Chairman and Ranking Minority Member of the Subcommittee on Housing and Community Development of the Committee on Banking, Finance and Urban Affairs of the House of Representatives.

"(2) Membership on the Advisory Board shall include—

"(A) not less than 4 persons with distinguished private sector careers in housing finance, lending, management, development or insurance;

"(B) not less than 4 persons with outstanding reputations as licensed actuaries, experts in actuarial science, or economics related to housing;

"(C) not less than 4 persons with backgrounds of leadership in representing the interests of housing consumers;

(D) not less than 1 person with significant experience and a distinguished reputation for work in the enforcement, advocacy, or development of fair housing or civil rights legislation; and

"(E) not less than 1 person with a background of leader-

ship representing rural housing interests.

"(3) Members of the Advisory Board shall be selected to ensure, to the greatest extent practicable, geographical representation or every region of the country.

"(4) Not more than 8 members of the Advisory Board may be from any one political party.

"(5) Membership of the Advisory Board shall not include any person who, during the previous 24-month period, was required to register with the Secretary under section 112(c) of the Department of Housing and Urban Development Reform Act of 1989 or employed a person for purposes that required such person to so register.

(6) Of the members of the Advisory Board first appointed, 5 shall have terms of 1 year, and 5 shall have terms of 2 years.